**DIRECTORATE OF DISTANCE EDUCATION**
**NALSAR UNIVERSITY OF LAW, HYDERABAD**

***M.A. (Corporate Law)***
***Advanced Diploma in Corporate Law***

**Academic Year: 2023-2024**

**Second Semester Examination (June, 2024)**

# Paper I - 1.2.5.Law of Investment and Foreign Exchange

**Duration of the Examination: 2 ½ hours** **Total Marks : 70 marks**

**INSTRUCTIONS TO CANDIDATES**

a) **Read the instructions carefully and adhere to the same.**
b) **Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.**
c) **The questions to be interpreted as given and no clarification can be sought from the Invigilator.**
d) **Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.**
e) **Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.**
f) **Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.**
g) **Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.**

## Section – A

**Answer FIVE questions out of SEVEN questions and each question carries 10 marks. (5 x 10 marks = 50 marks)**

1. "Foreign Exchange Management Act, 1999 is an important piece of legislation in India with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of Foreign Exchange market in India". Critically Evaluate the Salient Features of FEMA, 1999 in the light of above statement.

2. Write a detailed note on the Foreign Direct Investment Policy in India.

3. Critically Analyze the Role of Dispute Settlement Mechanism under WTO in Promoting International Trade.

4. M/s. Arozon Limited is a public company, which is intending raise the capital from public. You are advised to explain various kinds of equity and debt capital which can be raised by the company.

5. M/s. Siri Infrastructure Limited is a listed company. The performance of the company is satisfactory and in the financial year 2023-24 the company recorded the net-profits of ₹ 2000 Crores. Mr. Vijay is the shareholder who is demanding the dividends as the performance of the company is very good, but the Board of Directors of Company are not willing to declare the dividend and they are intending to utilize this profit for the future business. Mr. Vijay wants to file a case before National Company Law Tribunal. Evaluate the Rights of Mr. Vijay in the light of Provisions of Companies Act, 2013 on Payment and Declaration of Dividend.

6. The Board of Directors of M/s. Suninfo Private Limited Intends to raise the further capital without issuing the shares to existing shareholders. Explain the rights of Existing Shareholders and also explain the provisions of rights issue under Companies Act, 2013

7. The Shareholders of M/s. Ukthi Pharma Limited decided to go for Corporate Restructuring. As a part of Corporate Restructuring, the shareholders decided to go for Reduction of Share Capital without the approval of National Company Law Tribunal. As a Compliance Officer of the Company prepare a detailed note on modes of Reduction of Share Capital and the procedure to be followed for Reduction of Share Capital.

## Section – B

**Answer FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)**

8. Write short note on Overseas Direct Investment
9. Write a note on Bilateral Investment Treaties.
10. Explain the Special and Differential Treatment in the WTO
11. Write a note on Derivative Contracts
12. Explain the provisions relating to issue of shares through private placement.
13. Write a note on Employee Stock Option Plans